

Airlie Founder Denies U.S. Subsidy

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The founder of Airlie House has denied a charge that the sprawling Virginia conference center has been covertly supported by the Pentagon, State Department and Central Intelligence Agency.

"Not a single dollar of support from the CIA or any other similar organization has been offered or accepted by this institution," said Dr. Murdock Head, director of Airlie Foundation.

"I can categorically state that this alleged support by the CIA can only be attributed to an overly fertile imagination or, for some reason unknown to us, a deliberate attempt to falsify the facts," he maintained yesterday.

The CIA declined comment, but government sources denied charges leveled by William Higgs, Washington attorney, at a press conference earlier in the day.

Higgs said that "an elaborate system of electronic bugging" had been installed in Airlie's main conference building and could secretly monitor the conversations of conference participants. Head denied such use.

Found No Fund Source

Higgs contended also that the alleged government involvement with the conference center violated a White House policy approved earlier this year that no federal agency should "provide covert financial assistance or support, direct or indirect, to any of the nation's educational

or private voluntary organizations."

Higgs, 31, long associated with the civil rights movement and an active supporter of a number of radical causes, said he spent four months doing research on the subject, checking the Airlie Foundation's tax returns, land records and other documents.

He said a failure to find any source of substantial income for Airlie and extensive ties of the

foundation with former intelligence officers convinced him of the CIA-State-Defense links.

Head said, on the other hand, that Airlie "has been, from its inception, supported in the main by myself and my family.

Alliances Avoided

"We have been extremely careful to avoid alliances not only with groups of this nature, but with any organizations

which could have influence in the direction of the center."

Frequently used by the State Department and other government agencies, the center also has housed meetings in recent years of organizations including the House Republican leaders, the International Association of Chiefs of Police, the D.C. School Board, George Washington University and the NAACP Legal and Defense Fund.

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Airlie House Is Backed By CIA, D.C. Lawyer Claims

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By ROBERT WALTERS

Star Staff Writer

Washington attorney William Higgs today charged that Airlie House, the area's most prestigious conference center, is secretly supported by the Pentagon, State Department and Central Intelligence Agency.

The charge was immediately denied by Dr. Murdock Head, founder and director of the Airlie Foundation, and by a government source. Head said that "not a single dollar of support from the CIA or any other similar organization has been offered or accepted by this institution."

Higgs told a press conference that "an elaborate system of electronic bugging" equipment

has been installed in Airlie's main conference building and is capable of secretly monitoring the conversations of conference participants.

A government source said anyone taking part in a conference at Airlie House was shown the system and told it was used for legitimate purposes.

Higgs is a supporter of radical political causes and has long been associated with the civil rights movement. He did not say why he had made the charges about Airlie House, but indicated that his political liberalism was at least a major reason.

In charging government involvement with the conference center Higgs added that this

violates a White House directive issued earlier this year which states that: "No federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations."

Higgs also said Airlie House maintains a large medical clinic and has two physicians specializing in plastic surgery on its staff. "I don't know what is going on in the clinic," he said.

Airlie House is located on a 1,200-acre estate just east of Washington, in Fauquier County, Va. Its literature describes the facility as being "operated by Airlie Foundation as an educational and research conference center."

Used by Private Groups

Although frequently serving as the center for conferences sponsored by a wide variety of government agencies, Airlie House also has been the site of a number of meetings organized by private groups.

Among groups which have held meetings there in recent years are House Republican leaders, the International Association of Chiefs of Police, the D.C. school board, George Washington University and the NAACP Legal and Defense Fund, Inc.

Higgs said four months of research had traced the founding of Airlie House to a 1957 memo written by Kenneth T. Young, then director of the State Department's Southeast Asia affairs desk, who proposed the creation of a private conference center in the Washington area to cultivate and train "the ruling elite" of Asian nations.

Higgs said Young, in a privately circulated State Department memo, called for:

"The establishment of an institute for such orientation in the Washington area. A large house in the country near the city where key officials could spend a few days of concentrated attention on this problem with specialists and officers in Washington would facilitate this problem."

Bought Land in '50

Higgs said that on June 6, 1956, Dr. Head purchased the first tract of land for what was later to become the conference center. That purchase was followed by a July 10, 1959 purchase of 352 acres, Higgs added. He estimated total cost at about \$200,000.

Four months later, a nonprofit Virginia foundation called the Airlie House Foundation was created, but it ceased existence in September 1960, he said. In April 1960, a new nonprofit foundation, the Airlie Foundation, was created, and it currently is the ostensible owner and operator of the property, Higgs said.

He said the current foundation directors include Joseph J. Sisco, a former CIA employe who now is assistant secretary of state for international organization affairs. Sisco is Head's brother-in-law, Higgs said.

In addition to Sisco, who also is vice president of the foundation, the directors now include Edward L. Katzenbach Jr., brother of Nicholas deB. Katzenbach, under secretary of state, and Mortimer M. Caplin, former director of the Internal Revenue Service, currently president of the foundation.

Fund Source Probed

Higgs said the public has been led to believe that the funds to purchase and maintain the vast estate and the numerous buildings on the grounds have come from the parents of Head's wife, Jane.

But Higgs said an investigation of Mrs. Head's parents, Lillian and Robert Gibson, showed they had few assets. He said a credit report showed Gibson worked as a washing machine salesman and his wife was employed by a beauty parlor.

Despite that, Higgs said, records showed that in October 1960 the Gibson's purchased 355 acres at the Airlie site for about \$100,000, then transferred the property to Head for "love and affection" but no money.

Higgs said the failure to find any source of substantial income for the sprawling estate, now valued at more than \$2 million, and the foundation's

extensive ties with former intelligence officers and federal employes convinced him of the CIA-State-Defense links.

Head, in denying the charges, said the conference center, now in its sixth year of operation, "has been from its inception supported in the main by myself and my family. We have been extremely careful to avoid alliances not only with groups of this nature (CIA), but with any organization which could have influence in the direction of the center."

He said the conferences scheduled by private groups "are in turn supported by reputable foundations, professional organizations, voluntary groups and civic and community associations who are themselves, by and large, nonprofit."

He added: "I can categorically state that his alleged support by the CIA can only be attributed to an overly fertile imagination or, for some reason unknown to us, a deliberate attempt to falsify the facts."

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